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NIE-29

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15 January 1951

MEMORANDUM TO THE NATIONAL ESTIMATES BOARD

FROM: [REDACTED] 25X1A9a

SUBJECT: Possible NIE on Yugoslavia

1. NIE 15, 11 December, contains the most recent estimate of the Yugoslav situation in very abbreviated form and it is believed that a more comprehensive NIE would be of value. Furthermore, several factors have developed since preparation of NIE 15 which bear on Yugoslavia's position vis-a-vis the USSR and its satellites.

- a. The strengthening of satellite forces, both in numbers and materiel, has become more evident.
- b. Statements of Yugoslav leaders have reflected growing concern although they are still generally calm and determined.
- c. There has been a noticeable increase in Cominform anti-Tito propaganda and there have been several charges and counter charges of border violations exchanged between the satellites and Yugoslavia.
- d. Yugoslavia's rapprochement with Greece is proceeding fairly smoothly. (This has brought forth several Cominform charges of "aggressive plans".)
- e. The US aid program for Yugoslavia has been implemented.
- f. Yugoslavia has negotiated with France for arms and eventually tripartite Western military aid may develop, although moves in this direction are at least temporarily in abeyance.

2. NIE treatment of this subject should cover:

- a. Yugoslavia's internal stability and defensive capabilities.
- b. Satellite strengths and capabilities in combination.
- c. The degree of Soviet support necessary to insure success of a satellite attack.
- d. The prospects of satellite or Soviet-satellite military action against Yugoslavia for 1951.

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ASIA

Korea

1. There is evidence of the reorganization and build-up of North Korean forces, and of increasing activity by the Chinese Communist, Soviet and North Korean air forces in the area around Korea. Although there has been limited contact with enemy forces, there are no reliable indications Chinese Communist preparations to withdraw a portion of their forces from Korea. Some indications point to a lateral eastward movement of Chinese Communist elements, but enemy dispositions suggest that no large-scale operations are likely before 1 February. Enemy jet activity has increased and jet training in Manchuria indicates an increase in enemy jet capabilities.

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China

3. Recent developments in China include:
- a. The general build-up of Chinese Communist offensive strength;
 - b. Defensive preparations, especially in Manchuria, in coastal areas and in South China;
 - c. Indications of preparations for an attack on the small Nationalist-held islands off the southeast China coast;

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- d. Indications of renewed amphibious training, defensive preparations and air activity in the vicinity of Formosa, suggesting the possibility of an attack on Formosa later in the year. (Weather conditions probably will not favor such an attack until early April.);
- e. An increase in Soviet ground force advisers and technical personnel, who are now estimated to number at least 10,000;
- f. Increased air activity and the possible arrival of new aircraft at fields in the Fukien Province, and the presence of jet aircraft around Canton;
- g. Indications of military activity and a build-up of forces in the area of Hong Kong, and extensive underground activity among Communist elements in Hong Kong, suggesting possible preparations for an attack.
- h. Evidence in Chinese Communist propaganda of an intent not only to drive the UN forces from Korea, but to strike other blows against "imperialist encirclement";
- i. Statements by Soviet Embassy personnel in Peiping that the Soviet Air Force would help to defend Manchuria against UN air attacks.
- j. A statement by a Chinese Communist official in Macao that Soviet submarines will participate in the invasion of Formosa. (There have been fragmentary reports of Soviet submarine operations along the South China coast, and of the establishment of a Soviet submarine base on Hainan.)

Indochina

25X1C 4. [REDACTED] indicate Chinese Communist plans and military preparations for major intervention in Indochina. [REDACTED] 25X1C that intervention is planned before the Chinese Communist New Year (6 February). Chinese Communist regular forces and large numbers of "volunteers" reportedly are moving up to the Indochina border. Viet Minh propaganda reflects an expectation of early Chinese Communist military support. There are rumors, 25X1C but no reliable evidence, that some Chinese Communist combat units may already be in Indochina. [REDACTED] that Viet Minh uniforms are being prepared for Chinese "volunteers" and that a joint Sino-Viet Minh headquarters, with Soviet advisors, has been established at Nanning and is preparing plans for Chinese intervention.

Southeast Asia

25X1C 5. [REDACTED] that Chinese Communists will soon provide military aid to the Communists in Burma. Chinese Communist propaganda attacks on both Burma and Malaya are increasing, and include charges of the mistreatment of Chinese nationals by those countries. [REDACTED] 25X1C

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the presence of Soviet observers at an airfield in northern Burma and the construction of Chinese Communist defensive positions along the Burma frontier. 25X1C [REDACTED] plans for a Communist-inspired coup in Thailand.

Tibet

25X1C 6. [REDACTED] an invasion of Western Tibet from Sinkiang is now in progress.

EUROPE

Satellites

7. Poland

- a. Since July the strength of the Polish armed forces (including security troops) has increased from 183,000 to 255,000.
- b. The Polish Army is continuing to receive Soviet equipment, including modern heavy tanks and artillery pieces.
- c. Airfield construction has been accelerated despite the winter weather, and additional jet aircraft may be arriving. 25X1C [REDACTED] 25X1C
25X1C [REDACTED] the Polish First Fighter Regiment is to be equipped with jets.)
- d. Frontier and Security forces have been increased.
- e. The rationing of gasoline has been ordered.

8. Czechoslovakia

- a. Security measures have been tightened and the activity of Western diplomats curtailed.
- 25X1C b. [REDACTED] indicate the presence in Czechoslovakia of Soviet Marshal Konev.
- c. Czech forces along the country's western borders have been increased, and [REDACTED] of the call-up of some reserves. 25X1C
- d. The rationing of gasoline and oil has been ordered.
- e. Since July the strength of the Czech armed forces (including security troops) has increased from 132,000 to 147,000.
- f. Communist Party control within the Czech Army has been increased.
- g. The Czech medical profession has been placed under state control.

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25X1C h. [REDACTED] that Czech commercial airways will be placed under the Minister of National Defense.

9. Rumania

- a. The rationing of petroleum products has been ordered.
- b. Strategically important highways in the eastern portion of the country are being improved.

10. Hungary

- a. Hungarian armed forces (including security troops) have been increased since July from 43,500 to 70,000.
- b. Forty-two "JS" heavy tanks and 14 "JSU" self-propelled artillery pieces [REDACTED] in the possession of Hungarian troops, and MA Budapest now believes the Hungarians have at least 100 such weapons. (Previously Poland was the only Satellite believed to possess this type of heavy Soviet-made equipment.)
- c. Rationing of gasoline, sugar, and flour has been decreed.
- 25X1C d. There is [REDACTED] that jet aircraft are possibly being assembled at a factory near Budapest.
- e. The training of Hungarian Air Force personnel is being expanded.
- f. Civilian medical personnel are receiving training in military medicine.
- g. A new decree orders the registration of all citizens, male and female, over 18.
- h. After 1 February all university students will receive military training.
- i. The movement of foreign diplomatic personnel has been drastically restricted.
- j. Hungary has formally protested to Yugoslavia that violations of the Hungarian border have continued, despite repeated warnings.

11. Bulgaria

- 25X1Ca. [REDACTED] some Bulgarian units have moved closer to the Turkish border.
- b. Fairly substantial Soviet gasoline shipments to Bulgaria and more strict gasoline rationing in Bulgaria lead to a strong presumption

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of stockpiling.

- c. There are widespread rumors in Bulgaria that an attack by Yugoslavia is imminent, and in Yugoslavia both the general public and high officials apparently fear an imminent attack by Bulgaria.
- d. Since July Bulgarian armed forces (including security troops) have been increased from 137,500 to 188,500.
- e. 750 Soviet heavy-duty military-type trucks have arrived in Bulgaria from the USSR.

12. Albania

- a. A sharp increase in the number of Soviet military and technical personnel in Tirana [REDACTED] 25X1C
- b. There have been substantial Soviet shipments of gasoline to Albania.
- 25X1C c. [REDACTED] unidentified submarines have been sighted in the Adriatic and a fairly large Soviet submarine base is being built in Albania.

13. Germany

- a. Since October there has been an increase of about 30,000 in Soviet occupation forces;
- b. Along the borders of the southern part of the Soviet Zone, in areas opposite the US Zone, Soviet troops are apparently replacing East German Alert Police;
- 25X1C c. [REDACTED] six old airfields are to be enlarged by 15 May. In view of difficulties created by bad weather, this deadline suggests considerable urgency.
- 25X1C d. [REDACTED] gas masks have been ordered for the East German Police;
- e. At a recent meeting of high Soviet and East German officials, it was stated that the East German Police will be "put in a position to defend the peace", will participate in joint maneuvers with the Soviet Army in March or April 1951, will be issued Soviet-type weapons by mid-February, and will be indoctrinated to fight with the Soviet Union to "preserve peace".
- f. The Soviet Commander-in-Chief in Germany has approved plans for the organization of East German Police in tactical units.

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- g. US military authorities in Germany estimate that the Alert Police can be organized to form a 15- to 18% cadre for twenty-four divisions. To fill these divisions the strength of the Alert Police would have to be increased from the present 50,000 to 250,000. According to the US estimate, this goal could be met by the inclusion of three additional age groups in the Alert Police recruiting program. (G-2, Washington, estimates that, for the present, Alert Police strength probably will not exceed 3 divisions or 8 regimental combat teams. A larger force would strain GDR manpower resources.)
- h. East German propaganda is following the Soviet line in expressing concern over the possible remilitarization of Western Germany. Gerhart Eisler, Chief of the GDR Office of Information, stated on 7 January that "remilitarization (of Western Germany) means war just as Hitler meant war".
- i. Soviet authorities have been attempting to obtain a quantity of fuel drums.
- j. Rail construction around Berlin appears designed to reduce the Soviet Zone's dependence upon West Berlin rail facilities.
- k. Soviet authorities have cleared civilians from a 3-kilometer strip along parts of the border adjacent to the US and British zones. Soviet troops have moved into some of these evacuated areas.
- l. Twenty percent of Soviet jet aircraft in Germany are on a 24-hour alert, and the number of Soviet jets in Germany is increasing.
- m. Permanent-type AA installations are being constructed around Soviet military air fields in Germany.
- n. Soviet occupation forces apparently are stockpiling food and other supplies.

14. Austria

- a. Soviet authorities have ordered the assembly of heavy-duty flat cars in Vienna;
- b. The eastward movement of flat cars [REDACTED] 25X1C
- c. The USSR is attempting to obtain a quantity of fuel drums;
- d. Gas masks have been issued to Soviet personnel and their dependents in Austria. [REDACTED] 25X1C

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- e. Soviet authorities have been requisitioning and renovating air raid shelters, in one of which they are reportedly storing ammunition and beds.

15. Northern Europe

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- a. There has been a substantial increase in Soviet military strength along the Finnish border and around Murmansk. [REDACTED] 25X1C
- b. East German trawlers are conducting reconnaissance of Danish and Swedish ports.
- c. Some Soviet submarines have been moved from the Baltic to the Northern Fleet (Murmansk and Archangel), apparently to gain more ready access to open seas.

- 25X1C d. [REDACTED] that two unidentified submarines recently observed in the Adriatic are believed to have been Soviet.

USSR

16. The 21 January speech of a high Communist Party official, delivered in the presence of Stalin and a number of Politburo members, was devoted entirely to an attack on the US. In contrast to earlier official Soviet pronouncements, the speaker played down the prospect of a US economic crisis and the inevitability of capitalism's downfall, and emphasized instead the defeat of capitalism by military action. The speaker went on to reassure his listeners that the USSR would emerge from a major conflict stronger than before.

17. Various Soviet refugees arriving in Vienna report that Soviet administrative departments are being decentralized as a defense measure. (These are the first reports of such a development and should be viewed with caution.)

18. The USSR has bluntly warned France and the UK that their participation in NATO violates their treaties with the USSR.

19. Soviet propaganda attacks on Yugoslavia have grown in intensity and bitterness.

- 25X1C 20. [REDACTED] following the Chinese Communist rejection of the UN cease-fire order Marshal Malinovsky, Commander of Soviet Far East Forces, was ordered to take the following precautions:

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- a. Strengthen the curfew (in effect since Nov 50) at all military bases, important ports and in Soviet territory bordering Korea and China;
 - b. Begin air defense practice in these areas;
 - c. Cancel all leaves for Soviet military personnel, and recall those on leave;
 - d. Disperse dependent and non-essential personnel from cities along the Trans-Sib. Ry., and place greater restrictions on military and defense industry installations located along the railway;
 - e. Enforce similar measures in the Port Arthur and Dairen areas.
21. Some measures have been taken to forestall a US freeze of Soviet dollar assets.

GENERAL

22. Soviet and Soviet-controlled propaganda continues to indicate the gravest concern over the prospect of West Germany rearmament and to imply that this program is certain to lead to general war.

23. Several Soviet and Communist officials recently implied in private statements that the USSR may take direct military action.

24. Soviet-controlled propaganda has gone far toward preparing the peoples of the Soviet Orbit and Communists abroad for major war.

25. US Communists are concentrating their efforts on key industries essential to the defense program.

26. For the past two months there has been heavy traffic of European Communist leaders to and from Moscow, possibly to attend briefings on impending Soviet moves or shifts in Communist tactics.

27. There are indications of preparation for "direct action" by Communists in Japan, Italy, and the Philippines. Japanese Communists reportedly are organizing for guerrilla warfare. There is increased activity in the para-military cells of the Italian Party. A corps of trained Chinese Communist commandos [REDACTED] has been sent to the Philippines to organize a guerilla force in support of the Huk movement.

28. In early December there were several instances of jamming of radio traffic in the European area. The US carrier "Coral Sea", then in the western

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Mediterranean, reported serious disruption of its radio communications by deliberate or accidental jamming. Near the same time weather broadcasts from Malta and operational aircraft communications in Iceland encountered jamming.

29. Bitter Soviet and Satellite propaganda attacks against Yugoslavia are continuing.